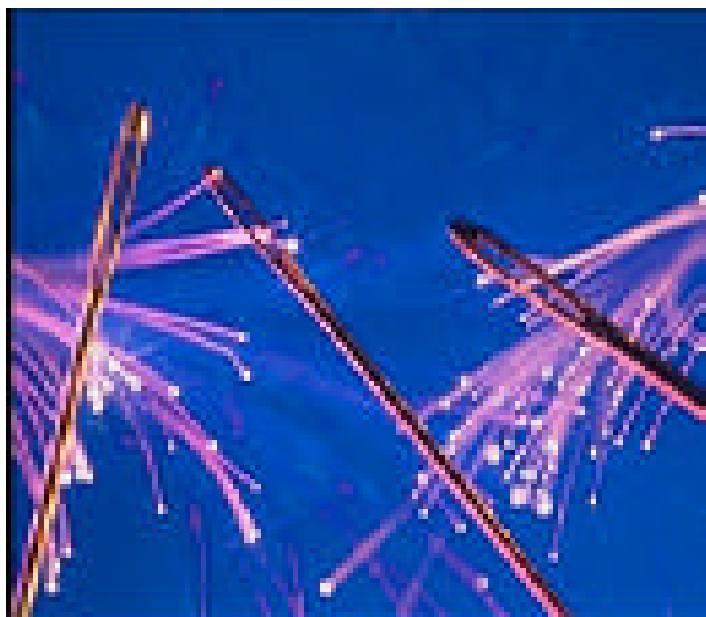


# NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

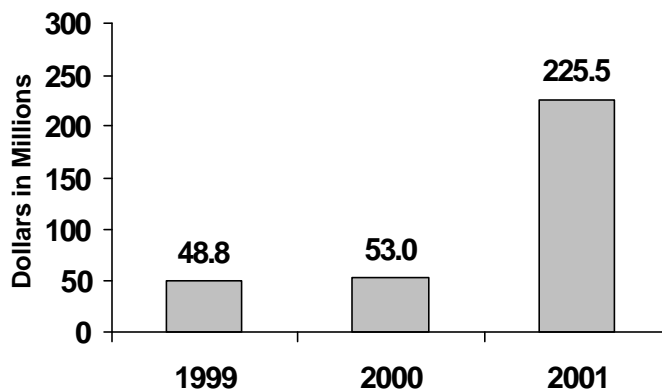
The National Telecommunications and Information Administration (NTIA) is responsible for the development of domestic and international telecommunications and information policy for the Executive Branch; for ensuring the efficient and effective use of the Federal radio spectrum; for performing state-of-the-art telecommunications research, engineering, and planning; and for administering the Federal programs that support telecommunications facilities for education, health care, and other social services.

The NTIA budget for the fiscal year starting October 1, 2000 reflects the agency's ongoing commitment to find solutions that will help close the digital divide – the gap between those with access to the Internet and information technologies and those without. Much of the focus of the proposed agency budget for the fiscal year will be directed at grant programs and research programs that bring technology into communities as well as to protect the public's spectrum, a critical component of the Nation's infrastructure.

The digital divide cluster of programs is added to the traditional responsibilities of managing the spectrum for Government users, of helping public broadcasters maintain the best and most up-to-date equipment for their services, and the new responsibilities of helping to protect our Nation's critical information networks.



NTIA Funding



The Salaries and Expenses budget includes funding to maintain ongoing programs as well as to undertake new initiatives:

- 1) to continue the *Falling Through The Net* statistical survey, part of the Digital Divide cluster;
- 2) to examine ways to enhance the environment in which broadband technology is utilized in our economy, also part of the digital divide cluster;
- 3) for improvements to the Federal radio spectrum management system that is used to support the assignment of radio spectrum for all Federal agencies; and
- 4) to provide base funding for a Critical Infrastructure Protection to protect the Nation's telecommunications and information infrastructure against purposeful attack and to participate in an interagency, cross-sector working group for research and development.

Formerly titled the Telecommunications Information Infrastructure Assistance Program, funded in the Technology Opportunities Grants account, the Technology Opportunities Program (TOP) will expand to provide matching funds to state, local and tribal governments and non-profit entities to extend the benefit of information technologies to all Americans, especially those in under served communities. This program demonstrates the viability of innovative systems, the utility of interconnection among existing systems, and the use of advanced information technology in the public and non-profit sectors. The model programs can show how advanced telecommunications and information systems stimulate economic expansion, improve learning at all levels, improve the delivery of health care, strengthen public safety communications, and allow greater



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access for ordinary citizens to information resources throughout the country. Improvements in these services are especially needed in rural, remote, and economically disadvantaged areas.

To ensure that access to the Internet is an opportunity afforded to all Americans, the Administration proposes the creation of a new program that would provide low-income individuals and families with the connections, training, and support necessary for full participation in today's increasingly online society. A major component of the Communities program, the goal of the Home Internet Access program is to bridge the digital divide by providing targeted investments to bring these at-risk populations online. NTIA will build on its experience in supporting demonstration projects in low-income communities (through the Technology Opportunities Program) and in documenting and analyzing the digital divide (through the *Falling Through the Net* series).

In addition, the Administration seeks to continue its program of assisting communities by supporting local broadcasting organization's acquisition of required digital broadcasting equipment. NTIA's Public Telecommunications Facilities, Planning, and Construction program, in conjunction with the Corporation for Public Broadcasting, is continuing to support public broad-

casting digital conversion. The conversion program is designed to meet the Federal Communications Commission (FCC) mandate for digital broadcasting by 2003.

### NTIA Performance Measures

NTIA's strategic planning process is designed to improve the management and effectiveness of the agency. Within the resources available, NTIA will address priority issues in telecommunications and information today and maximize the return on those resources by utilizing agency expertise throughout its programs.

NTIA's strategic planning process complements and extends the strategic plan of the Department of Commerce. NTIA's goals support Commerce's goals and objectives:

- A** Expand economic growth trade and prosperity;
- B** Stimulate innovation for American competitiveness;
- C** Advance sustainable economic development.

NTIA's four strategic goals are presented below.

### NTIA Strategic Goals

- Promote open markets and encourage competition.
- Ensure spectrum provides the greatest benefit to all people.
- Advance the public interest in telecommunications, mass media and information.
- Promote the availability and sources of advanced telecommunications and information services.

Performance measures will continue to evolve over time, as NTIA and its programs, the Department of Commerce, and the Federal Government as a whole, continue to refine and enhance their capacities to develop performance measures, to use performance measurement as a key management tool, and implement the GPRA. A more detailed presentation of goals, objectives, and performance measures is found in the Department's Annual Performance Plan and NTIA's budget justification.

# SUMMARY OF APPROPRIATIONS

(Dollars in Thousands)

## Funding Levels

<b>Appropriation</b>	<u>1999</u>	<u>2000</u>	<u>2001 Estimate</u>	<u>Increase (Decrease)</u>
Salaries and Expenses	\$10,940	\$10,953	\$20,315	\$9,362
Public Telecommunications Facilities, Planning & Construction	21,000	26,500	110,075	83,575
Endowment for Children's Educational Television	(1,175)	0	0	0
Home Internet Access	0	0	50,000	50,000
Technology Opportunities Program	18,000	15,500	45,119	29,619
<b>Total Appropriation</b>	<b>48,765</b>	<b>52,953</b>	<b>225,509</b>	<b>172,556</b>
<b>TOTAL BUDGET AUTHORITY</b>	<b>48,765</b>	<b>52,953</b>	<b>225,509</b>	<b>172,556</b>

## **PERMANENT POSITIONS**

Salaries and Expenses	98	98	129	31
Reimbursable	148	148	148	0
Public Telecommunications Facilities, Planning & Construction	13	13	24	11
Home Internet Access	0	0	15	15
Technology Opportunities Program	34	24	31	7
<b>Total</b>	<b>293</b>	<b>283</b>	<b>347</b>	<b>64</b>

# HIGHLIGHTS OF BUDGET CHANGES

## APPROPRIATION: Salaries and Expenses

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>2000 Enacted</b>			98	\$10,953
<b>Adjustments to Base</b>				
Transfer:				
Working Capital Fund transfer to GA for security				(52)
<b><u>Other Changes</u></b>				
2000 Pay raise		\$96		
2001 Pay raise		206		
Payment to the Working Capital Fund		27		
Within-grade step increases		71		
One less compensable day		(29)		
Civil Service Retirement System (CSRS)		(1)		
Federal Employees' Retirement System (FERS)		1		
Federal Insurance Contributions Act (FICA) -OASDI		6		
Health insurance		34		
Employees' Compensation Fund		(10)		
Travel				
Per diem		18		
Common carrier		5		
Rent payments to GSA		22		
Printing and reproduction		4		
Other services:				
Working Capital Fund		22		
Executive development and leadership training		25		
General Pricing Level Adjustment:				
Communications, Utilities & misc.		4		
Other services		7		
Supplies and materials		3		
Equipment		3		
Subtotal, other cost changes			0	514
<b>TOTAL, ADJUSTMENTS TO BASE</b>			0	462
<b>2001 Base</b>			98	11,415
Program Changes			31	8,900
<b>2001 APPROPRIATION</b>			129	20,315

## Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>DIRECT OBLIGATIONS</b>								
Domestic & International Policies	37	\$3,926	37	\$3,719	37	\$4,119	0	\$400
Spectrum Management	24	4,006	24	4,129	40	7,829	16	3,700
Telecommunication Sciences Research	37	3,568	37	3,567	52	8,367	15	4,800
<b>TOTAL DIRECT OBLIGATIONS</b>	98	11,500	98	11,415	129	20,315	31	8,900
REIMBURSABLE OBLIGATIONS	148	20,363	148	23,411	148	24,211	0	800
<b>TOTAL OBLIGATIONS</b>	246	31,863	246	34,826	277	44,526	31	9,700
<b>FINANCING</b>								
Unobligated balance, start of year		(547)						
Offsetting collections from:								
Federal funds	(148)	(19,863)			(148)	(23,711)		
Non-Federal sources		(500)				(500)		
Subtotal, financing	(148)	(20,910)			(148)	(24,211)		
<b>TOTAL BUDGET AUTHORITY</b>	98	10,953			129	20,315		

## Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>Permanent Positions</u>	<u>Amount</u>	<u>Permanent Positions</u>	<u>Amount</u>
<u>Spectrum Management</u>	24	\$4,129	+0	+\$200

A program increase is proposed to improve the use of spectrum through increased sharing and spectrum efficiency. This is the second phase of a four-year spectrum modernization effort. This phase will develop specifications for a secure two-way communications network from NTIA to Interdepartment Radio Advisory Committee (IRAC) agencies. This request will be matched with \$800,000 in reimbursements from the Federal agencies that use spectrum.

<u>Critical Infrastructure Protection</u>	0	\$0	+16	+\$3,500
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An increase is requested to carry out the lead agency responsibilities for the CIP information and communications sector. As lead agency, NTIA will work to ensure that both public and private sector perspectives on infrastructure assurance are reflected in all deliberations; establish and maintain channels of communication with all entities, both public and private, domestic and foreign; develop and implement an awareness and education program for the sector; develop and propose legislation and regulations that will enhance infrastructure assurance programs.

This request also includes funds to establish an Information Sharing Analysis Center (ISAC) as directed in Presidential Decision Directive-63. Departments with lead agency functions will establish ISACs which will analyze, gather, sanitize and distribute information from the private sector to other industry companies within affected industry sectors, as well as those Government entities specific to the information and communications sector.

<u>Domestic and International Policies</u>	37	\$3,719	+0	+\$400
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This increase would provide permanent funding for the *Falling Through the Net* study, a statistical survey that measures access to computers, Internet and telecommunications services among different parts of society throughout the country. The study has been viewed as a resounding success in documenting the scope of universal service in today's digital economy. The program combines Bureau of the Census statistical expertise with NTIA's analytical focus to produce a clear picture of the people and places that are under served.

Telecommunication Sciences Research

37

\$3,567

+15

+\$4,800

An increase (+10 pos; +\$2,000) is proposed for enhancing the environment in which broadband (wireless and wire line) technology is utilized in our economy. As stewards of the Federal spectrum allocation and experts in spectrum- and network-related research, NTIA will provide the technology and technical assistance that supports the information and communication needs of our public education, safety and health officials as well as facilitate opportunities for American businesses to compete in the world economy. The *Broadband for the Next Generation Internet* effort will focus on improving the quality and performance of current services so that advanced Internet, voice, and video services are available for all Americans.

An increase (+5 pos; +\$2,800) is proposed for NTIA to participate in an interagency, cross-sector working group for research and development on CIP issues. As part of the inter-agency working group, NTIA's Institute for Telecommunication Sciences will undertake the Network Reliability and Restoration element of its proposed CIP research program. NTIA will identify, evaluate, and implement telecommunication system and network enhancements that respond to a wide range of infrastructure vulnerabilities, including both design weaknesses and external threats, such as physical and cyber attacks. NTIA will undertake cooperative efforts with industry and with Government agencies (e.g., FCC, NCS, NIST, NSA) to systematically identify and assess these and other vulnerabilities of emerging architectures. Based on these assessments, NTIA will develop and test an array of network reliability enhancement techniques. Within the Commerce Department, NTIA will address threats to the telecommunications infrastructure and NIST will address metrology issues.

# APPROPRIATION: Public Telecommunications Facilities, Planning and Construction

## Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>2000 Enacted</b>			13	\$26,500
<b>Adjustments to Base</b>				
Transfer:				
Working Capital Fund transfer to GA for security				(12)
<b><u>Other Changes</u></b>				
2000 Pay raise		\$15		
2000 Pay raise		30		
Payment to the Working Capital Fund		6		
Within-grade step increases		2		
One less compensable day		(4)		
Civil Service Retirement System (CSRS)		(16)		
Federal Employees' Retirement System (FERS)		20		
Thrift Savings Plan		4		
Federal Insurance Contributions Act (FICA) -OASDI		12		
Health insurance		4		
Travel				
Per diem		1		
Common carrier		1		
Rent payments to GSA		2		
Printing and reproduction		1		
Other services:				
Working Capital Fund		5		
General Pricing Level Adjustment:				
Other services		4		
Subtotal, other cost changes			0	87
<b>TOTAL, ADJUSTMENTS TO BASE</b>			0	75
<b>2001 Base</b>			13	26,575
Program Changes			11	83,500
<b>2001 APPROPRIATION</b>			24	110,075

## Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount	Perm Pos	Amount
<b>DIRECT OBLIGATIONS</b>								
Grants	0	\$25,084	0	\$24,700	0	\$106,000	0	\$81,300
Program Management	13	1,931	13	1,875	24	4,075	11	2,200
<b>TOTAL DIRECT OBLIGATIONS</b>	13	27,015	13	26,575	24	110,075	11	83,500
<b>FINANCING</b>								
Unobligated balance, start of year		(515)						
<b>TOTAL BUDGET AUTHORITY</b>	13	26,500			24	110,075		

## Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	Permanent Positions	Amount	Permanent Positions	Amount
<u>Public Telecommunications Facilities</u>				
<u>Planning and Construction</u>	13	\$26,575	+11	+\$83,500

An increase (+11 pos; +\$83,500) is requested to continue the Administration's program of assisting broadcasters with the purchase of digital broadcasting equipment needed to meet the Federal mandate to convert to digital transmission. The FCC mandated that all public broadcasting stations should convert to digital transmission by 2003. NTIA's Public Telecommunications Facilities Program, in conjunction with the Corporation for Public Broadcasting, is continuing *Public Broadcasting's Digital Conversion*. In addition to the \$110.1 million budget proposed for FY 2001, this budget requests advanced appropriations for completing the program of \$197.5 million for a total appropriation of \$307.6 million.

This increase will assist public broadcasting stations with the conversion from analog to digital broadcasting through the awarding of competitive, matching grants. The grants issued will not only allow stations to convert, but also provide incentives for more efficient operations. As necessary, this program will continue to fund grants to replace basic equipment and provide assistance to rural and other areas where financial assistance is lacking.



# APPROPRIATION: Technology Opportunities Program

## Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>2000 Enacted</b>			24	\$15,500
<b>Adjustments to Base</b>				
Transfer:				
Working Capital Fund transfer to GA for security				(18)
<b><u>Other Changes</u></b>				
2000 Pay raise		\$21		
2001 Pay raise		45		
Payment to the Working Capital Fund		9		
Within-grade step increases		22		
One less compensable day		(6)		
Civil Service Retirement System (CSRS)		(1)		
Federal Employees' Retirement System (FERS)		2		
Federal Insurance Contributions Act (FICA) -OASDI		2		
Health insurance		9		
Travel				
Per diem		9		
Common carrier		4		
Rent payments to GSA		3		
Printing and reproduction		3		
Other services:				
Working Capital Fund		8		
General Pricing Level Adjustment:				
Other services		7		
Subtotal, other cost changes			0	137
<b>TOTAL, ADJUSTMENTS TO BASE</b>			0	119
<b>2001 Base</b>			24	15,619
Program Changes			7	29,500
<b>2001 APPROPRIATION</b>			31	45,119

## Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>DIRECT OBLIGATIONS</b>								
Technology Opportunity Program								
Grants	0	\$13,066	0	\$12,500	0	\$41,000	0	\$28,500
Program Management	24	3,864	24	3,119	31	4,119	7	1,000
<b>TOTAL DIRECT OBLIGATIONS</b>	24	16,930	24	15,619	31	45,119	7	29,500
<b>FINANCING</b>								
Unobligated balance, start of year		(1,430)						
<b>TOTAL BUDGET AUTHORITY</b>	24	15,500			31	45,119		

## Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>Permanent Positions</u>	<u>Amount</u>	<u>Permanent Positions</u>	<u>Amount</u>
<u>Technology Opportunities Program Grants</u>	24	\$15,619	7	+\$29,500

With the proposed increase (+7 pos; +\$29,500), the TOP program will expand to provide competitive, matching grants to state, local and tribal governments, and non-profit entities to extend the benefit of information technologies to all Americans. Emphasis will be placed on reaching those in under served communities. The projects funded under this program demonstrate and evaluate innovative uses of advanced information infrastructure in the delivery of a variety of public services at the community level. By supporting model projects that can be replicated in other communities, the program has a ripple effect that extends beyond the communities that are directly served by the awards. Without additional Federal support, many public sector organizations will not be able to use technology in the near term, and the gap between these organizations and those with the resources to acquire advanced technology today would continue to grow.

## APPROPRIATION: Home Internet Access

### Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
2000 Enacted			0	\$0
Adjustments to Base				
2001 Base			0	0
Program Changes			15	50,000
<b>2001 APPROPRIATION</b>			<b>15</b>	<b>50,000</b>

### Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>DIRECT OBLIGATIONS</b>								
Home Internet Access								
Grants	0	\$0	0	\$0	0	\$46,000	0	\$46,000
Program Management	0	0	0	0	15	4,000	15	4,000
<b>TOTAL DIRECT OBLIGATIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>50,000</b>	<b>15</b>	<b>50,000</b>
<b>FINANCING</b>								
Unobligated balance, start of year		0						
<b>TOTAL BUDGET AUTHORITY</b>	<b>0</b>	<b>0</b>			<b>15</b>	<b>50,000</b>		

### Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>Permanent Positions</u>	<u>Amount</u>	<u>Permanent Positions</u>	<u>Amount</u>
<u>Home Internet Access</u>	0	\$0	+15	+\$50,000

An increase (+15 pos.;+\$50,000) is requested to begin an innovative program that will provide low income families with access to the Internet from their homes. This new program will build on the lessons of the highly successful Technology Opportunities Program (TOP). Through six years of supporting and evaluating projects that demonstrate innovative information technology applications in low-income communities, TOP has built an extensive base of knowledge on issues, challenges, and effective solutions.

The Home Internet Access program would be designed around two of the hallmarks of the TOP program: 1) locally-driven solutions; and 2) public-private partnerships. NTIA's experience has shown that the most creative, innovative, and effective solutions come not from the Federal government, but from local communities. Therefore, NTIA will challenge low-income communities to devise solutions that best reflect their circumstances and best meet their needs. NTIA's experience has also shown that strong partnerships and broad community support are key ingredients in sustaining information technology projects. The Home Internet Access program will encourage community-based partnerships and partnerships among local organizations, academia, and private industry. In order to demonstrate the local and private sector commitments, applicants will be required to provide matching funds.

# APPROPRIATION: Endowment for Children's Educational Television

## Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>2000 Enacted</b>			0	\$0
<b>Adjustments to Base</b>				0
<b>2001 Base</b>			0	0
Program Changes			0	0
<b>2001 APPROPRIATION</b>			0	0

## Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
<b>DIRECT OBLIGATIONS</b>								
Endowment for Children's Educational Television								
Grants	0	\$0	0	\$0	0	\$0	0	\$0
Program Management	0	0	0	0	0	0	0	0
<b>TOTAL DIRECT OBLIGATIONS</b>	0	0	0	0	0	0	0	0
<b>FINANCING</b>								
Unobligated balance, start of year		18						
Unobligated balance, end of year		(18)						
<b>TOTAL BUDGET AUTHORITY</b>	0	0			0	0		

## Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>Permanent Positions</u>	<u>Amount</u>	<u>Permanent Positions</u>	<u>Amount</u>
<u>Endowment for Children's Educational Television</u>	0	0	0	0

This program has been discontinued.